Multi-use Stadium Project April 2021

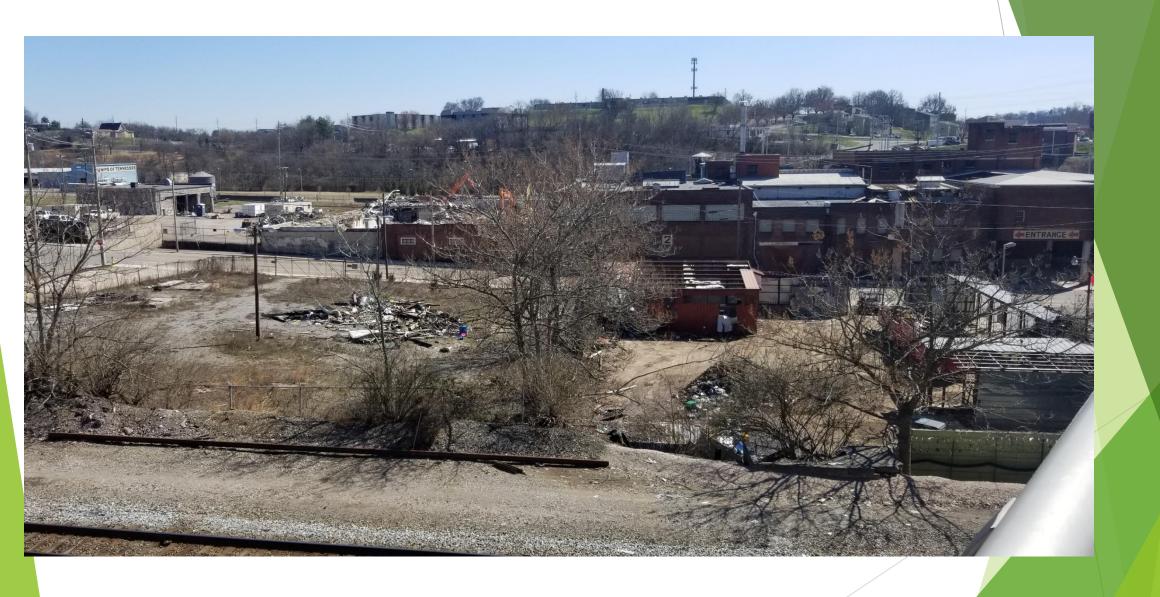




Stadium Project Background Information

- Multi-sport
 - ► Field will be configured for baseball and other sports that use a rectangular field
- Multi-use
 - Concerts, festivals, markets, community events, corporate events, weddings, and more.
- Public amenity
 - Concourse open for public use, except during events.
- Redevelopment project
 - ► Turning a decades-vacant area into an asset
- Economic development project
 - Private investment and jobs







Stadium Project Background Information

- Publicly owned by Sports Authority
- ► Land for stadium will be donated for the project
- Stadium will be leased to Boyd Sports for Tennessee Smokies baseball
- City and County will have guaranteed booking for a set number of community events
- ► Boyd Sports will market the stadium for events such as concerts, festivals, and other events
- ► GEM Community Development Group will lead private development around stadium

Stadium Project Impact and Our Community

- Redeveloping vacant property
- Public amenity open to surrounding community
- "Civic Furniture" important to retain and attract talent
- Jobs
- Small business growth
- Civic pride
- Affordable family activity

- Community process
- Sustainable design
- Workforce and small business development
- Local labor recruitment
- Partnerships with neighborhood schools

Sports Stadium Financing

- Vast majority of stadiums, including minor league baseball stadiums, in the United States are publicly owned and/or publicly supported.
- The use of public stadiums by professional sports teams has been common for over a century.
- In Knoxville, professional baseball teams first used a municipal stadium at least 100 years ago.
- Public Stadiums financed in TN use a Sports Authority (or IDB) structure
 - Bonds are payable from identified revenue sources
 - If there is a funding gap, City/County agree to make it up through non-property tax revenue.

Likely Revenue Sources

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	Revenue Source	Predictability of Source	New or Existing	Likely Percentage of Debt Service/Cost	Verification Approach
	Sales Tax Revenues from Stadium (Existing Law with Minor Changes)	High; small risk from future pandemics or loss of franchise	New	15% to 22%	Third-party consultant study
	State of Tennessee Grant	High	New	19% to 22%	State Budget
	Rent from team	High; only risk is bankruptcy of team	New	22% to 30%	NA
	Incremental property tax revenues (as a TIF or PILOT) from adjoining development	High; like property tax collections	New	17% to 30%	Confirmation of tax assessment by assessor; Development Agreement
	Non-Property Tax Revenues of City and County (50/50 split)	High	New and Existing	0% to 30%	Third-party consultant study as to new revenues

Proposed Process and Timeline

- March/April: State funding process
- ► April 2021: Council and Commission vote on Sports Authority board appointees
- March July 2021:
 - Community information meetings and community input on design, programming
 - Sports Authority convened, meetings to deliberate development agreements, lease and construction documents
 - Cost estimates refined and economic impact verified
 - Workshops as requested by Council and Commission
- Summer 2021:
 - Development agreements, lease and construction documents finalized
 - Approval of interlocal agreement (all Sports Authority documents will be available)
 - Approval of bond issuance by Sports Authority
 - Approval of TIF or PILOT for adjoining private development (if required)
- Fall 2021 Spring 2023: Construction
- Spring 2023: Stadium Open

Question and Answer



